

# 4Q24

Earnings Presentation

February 2025



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This presentation contains forward-looking information based on numerous variables, expectations and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, future results are likely to vary from those set forth in this presentation. You should not place undue reliance on forward-looking information. All forward-looking information is made as of the date of this presentation, based on information available to us as of such date, and we assume no obligation to update any forward-looking information. Copyright© 2025 ALFA, S.A.B. de C.V. All rights reserved. Reproduction and distribution is forbidden without the prior written consent of ALFA, S.A.B. de C.V.

# Important note on changes to ALFA's Consolidated Financial Statements



## Controladora Alpek

- ALFA's shareholders approved to spin-off ALFA's share ownership of Alpek into a new, listed entity called "Controladora Alpek" on October 24, 2024. In accordance with International Financial Reporting Standards (IFRS), Alpek meets the definition of a "Discontinued Operation" for purposes of ALFA's Consolidated Financial Statements. "Discontinued Operations" are the net results of an entity that is either being held for disposal or which has already been disposed of.
- The changes in ALFA's Consolidated Financial Statements are as follows:
  - The Consolidated Statement of Financial Position presents Alpek's assets as "Current assets from discontinued operations" and its liabilities as "Current liabilities from discontinued operations" beginning in 3Q24. Prior periods are not restated.
  - The Consolidated Statement of Income presents Alpek's net revenues and expenses as a single line item "Profit (loss) from discontinued operations" as follows:
    - 4Q24: accumulated figures for the three months ended December 31, 2024
    - 3Q24: accumulated figures for the three months ended September 30, 2024
    - 4Q23: accumulated figures for the three months ended December 31, 2023
    - 2024: accumulated figures for the twelve months ended December 31, 2024
    - 2023: accumulated figures for the twelve months ended December 31, 2023
  - The Change in Net Debt presents Alpek's net inflows and outflows as a single line item "Decrease (Increase) in Net Debt from discontinued operations" as follows:
    - 4Q24: no figures presented related to Alpek
    - 3Q24: accumulated figures for the three months ended September 30, 2024
    - 4Q23: accumulated figures for the three months ended December 31, 2023
    - 2024: accumulated figures for the nine months ended September 30, 2024
    - 2023: accumulated figures for the twelve months ended December 31, 2023
  - The Change in Net Debt also presents Alpek's Net Debt balance as "Net Debt from discontinued operations" at the close of 3Q24. Prior periods are not restated and following periods (4Q24) do not present Alpek's Net Debt balance.

# Important note on changes to ALFA's Consolidated Financial Statements



## Controladora Axtel

- ALFA's shareholders approved to spin-off ALFA's share ownership of Axtel into a new, listed entity called "Controladora Axtel" on July 12, 2022. The shares of "Controladora Axtel" were distributed to ALFA shareholders and began trading on the Mexican Stock Exchange on May 29, 2023. In accordance with International Financial Reporting Standards (IFRS), Axtel meets the definition of a "Discontinued Operation" for purposes of ALFA's Consolidated Financial Statements. "Discontinued Operations" are the net results of an entity that is either being held for disposal or which has already been disposed of.
- The changes in ALFA's Consolidated Financial Statements are as follows:
- The Consolidated Statement of Financial Position no longer presents Axtel's assets as "Current assets from discontinued operations" nor its liabilities as "Current liabilities from discontinued operations" at the close of 2Q23.
- The Consolidated Statement of Income presents Axtel's net revenues and expenses as a single line item "Profit (loss) from discontinued operations" as follows:
  - 4Q24: no figures presented related to Axtel
  - 3Q24: no figures presented related to Axtel
  - 4Q23: no figures presented related to Axtel
  - 2024: no figures presented related to Axtel
  - 2023: accumulated figures for the four months and 29 days ended May 29, 2023
- The Change in Net Debt no longer presents Axtel's net inflows and outflows in "Net Debt from discontinued operations"

**Alfa|SIGMA**

- Finalizing ALFA's transformation into single, wholly-owned food business unit, in which ALFA is Sigma
- Focus on distributing Controladora Alpek shares to ALFA Shareholders. Process moving forward actively
- Consolidated Net Leverage ratio of 2.5x, supported by successful Capital Increase and strong cash flow generation
- 2024 EBITDA includes negative impact of US \$54 M from extraordinary items that are not related to Sigma

**SIGMA**


- 2024 was Sigma's fourth consecutive year with Sales growth
- Record high annual Volume and EBITDA that surpassed the upwardly revised guidance of US \$1.0 billion
- 5 additional brands with annual Sales of US \$100 M in 2024. Number of "100-million-dollar brands" reached 16
- Paid record dividends totaling US \$228 million during 2024

**Alpek** *(reported as Discontinued Operation)*

- 2024 Comparable EBITDA of US \$699 M, 17% and 4% above original and revised guidance, respectively
- Achieved annual goal of US \$75 million in cost savings to enhance long-term competitiveness. Additional actions to reach US \$100 M
- Net leverage ratio of 2.9x at the close of 4Q24, compared with 3.4x in 4Q23

### Corporate simplification milestones (2020 – 2023)



 **Nemak** spin-off (Dec 2020)  
Innovative Lightweighting



Corporate expense reduction



Debt prepayment flexibility through successful refinancing (US \$500 million)



**axtel** spin-off (May 2023)

### Recent developments supporting final spin-off



Capital Increase (US \$392 million)



Received consents from bondholders



Alpek spin-off approved (October 24)

1

 **Branded Foods**

ALFA Shareholders

alfa

100%



2

 **Petrochemicals**

ALFA Shareholders

Controladora Alpek

82%



**Spin-off approved Oct-24**

3

 **Information and Communications Technology**

Controladora Axtel

54%



Spun-off in 2023

4

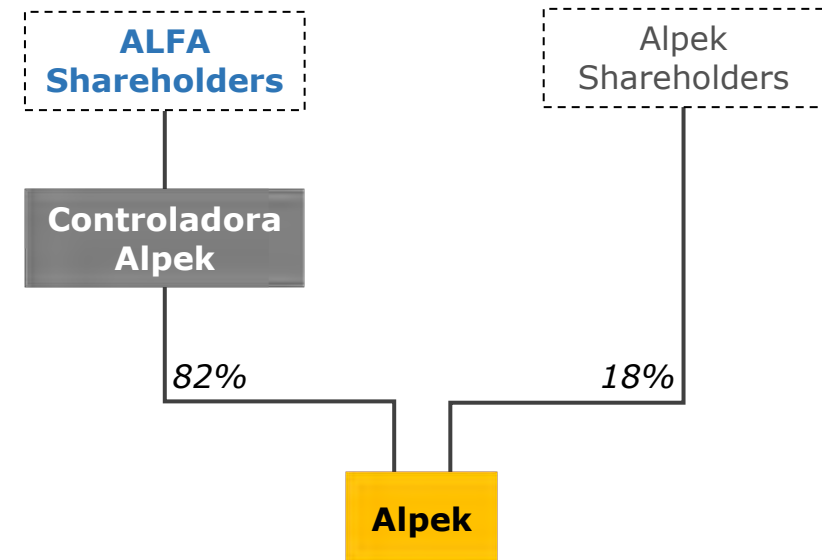
 **Automotive Lightweighting Solutions**

  
Innovative Lightweighting

Spun-off in 2020

- Controladora Alpek will be constituted by ALFA as the spun-off company, listed in the *Bolsa Mexicana de Valores*
- ALFA will transfer all its Alpek shares and certain assets, liabilities and capital to Controladora Alpek
- ALFA shareholders will receive one (1) share of Controladora Alpek for each of their ALFA shares
- ALFA shareholders will retain their share ownership in ALFA which would own 100% of Sigma

## Alpek Shareholder Structure (Post spin-off)







<b>Oct 9, 2024</b>	<b>Oct 24, 2024</b>	<b>TBD</b>	<b>TBD</b>	<b>~2025</b>
<b>ALFA calls Extraordinary Shareholders' Meeting</b>	<b>ALFA held Extraordinary Shareholders' Meeting</b>	<b>Notice of Share Distribution to ALFA Shareholders</b> <i>(Following Controladora Alpek's registration and listing processes with the CNBV<sup>1</sup> and BMV<sup>2</sup>)</i>	<b>Distribution of Controladora Alpek Shares</b>	<b>1<sup>st</sup> Day of Trading of Controladora Alpek</b>



## Timeline 2022-2023 (11 months)

<b>Jun 27, 2022</b>	<b>Jul 12, 2022</b>	<b>May 19, 2023</b>	<b>May 26, 2023</b>	<b>May 29, 2023</b>
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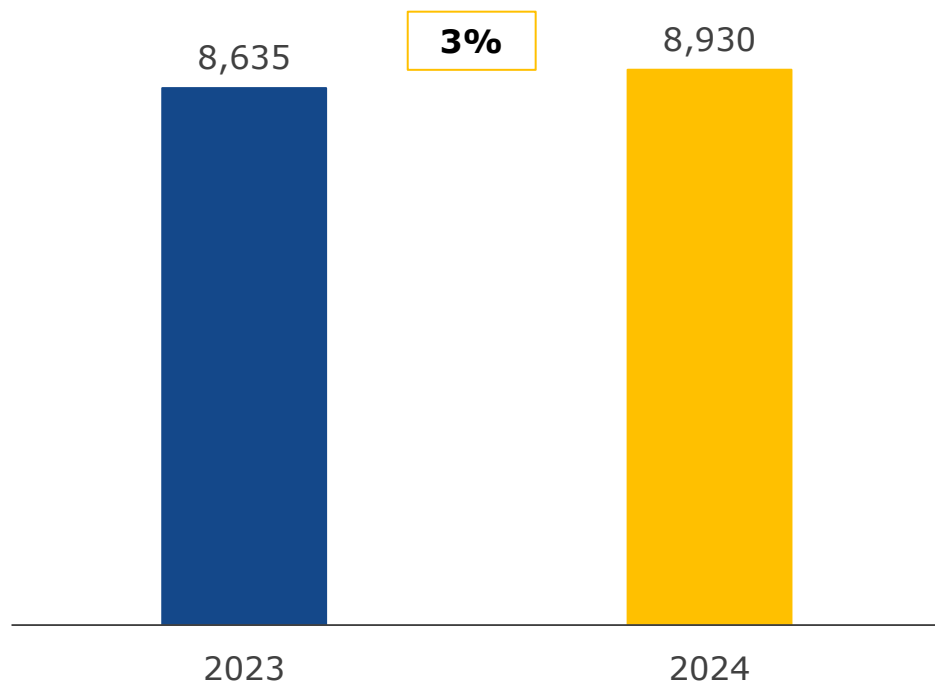
## Timeline 2020 (4.5 months)

<b>Jul 30, 2020</b>	<b>Aug 17, 2020</b>	<b>Dec 4, 2020</b>	<b>Dec 11, 2020</b>	<b>Dec 14, 2020</b>
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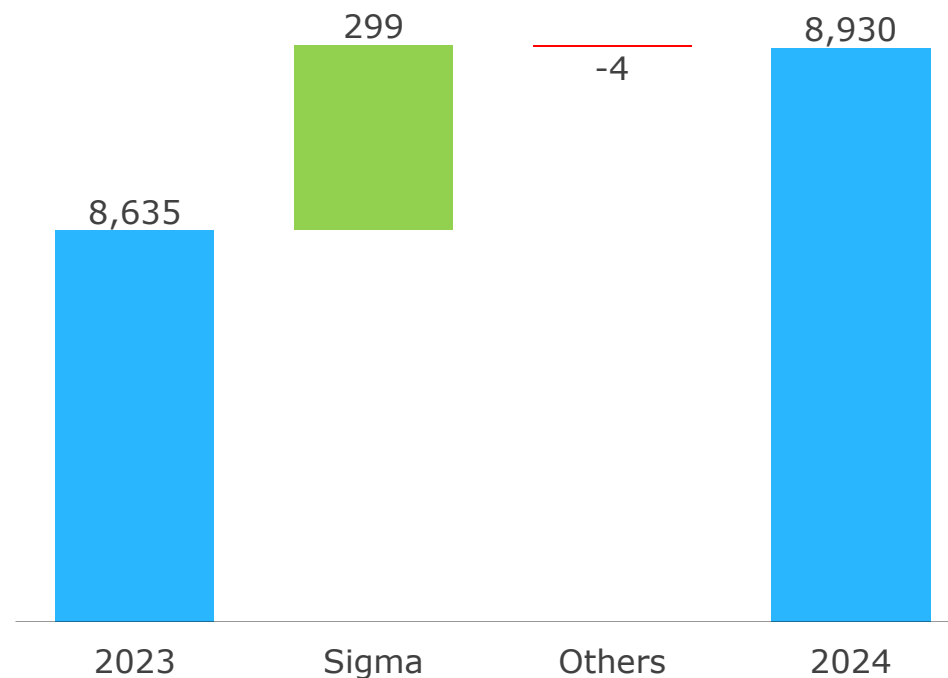
(1) Comisión Nacional Bancaria de Valores  
(2) Bolsa Mexicana de Valores

## ALFA & Subs\*

**Revenues\***  
(US \$ Million)

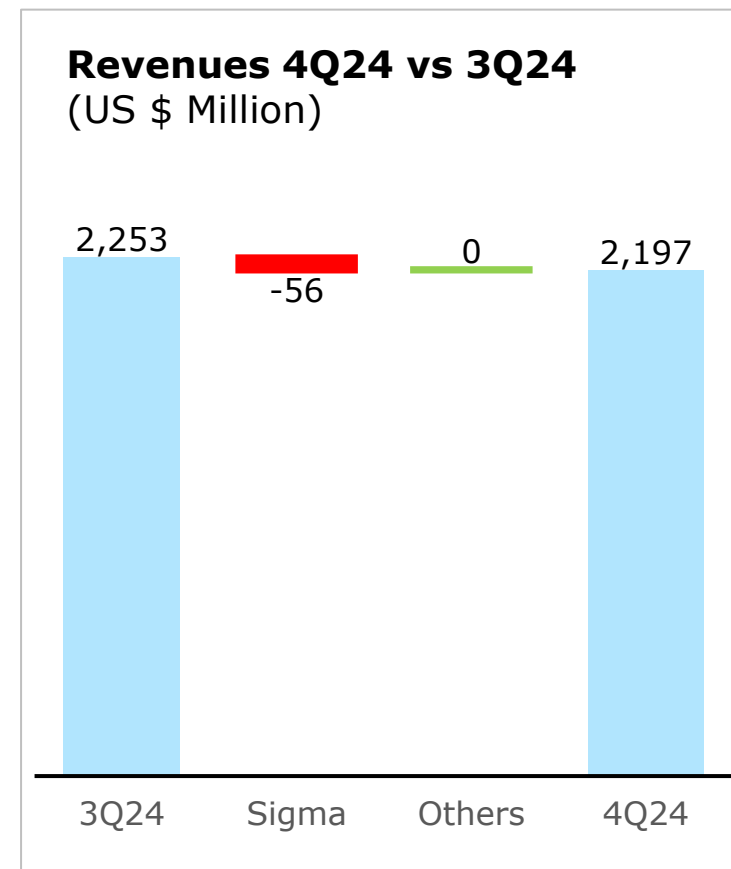
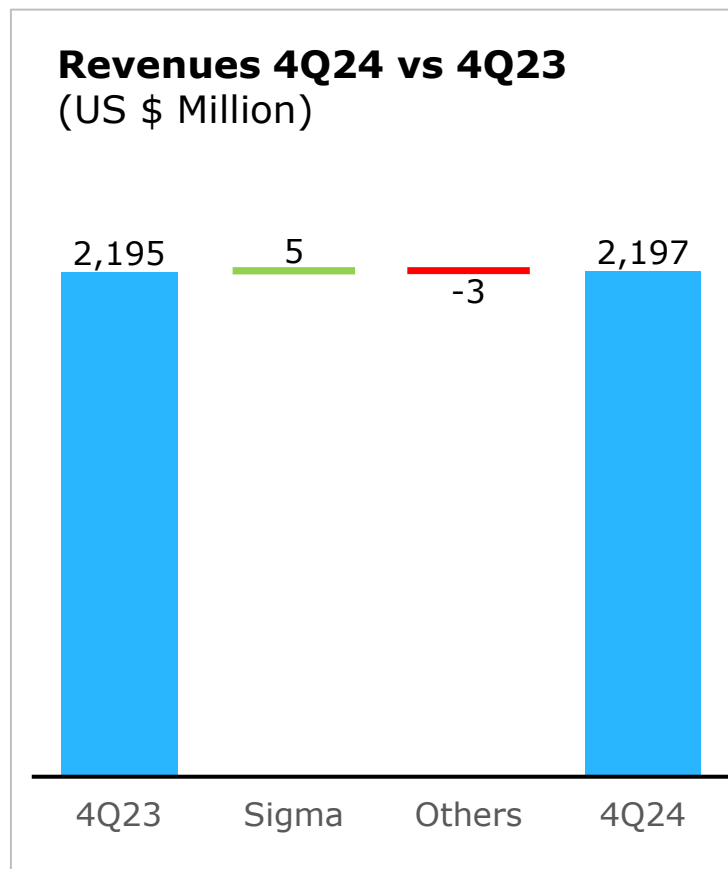
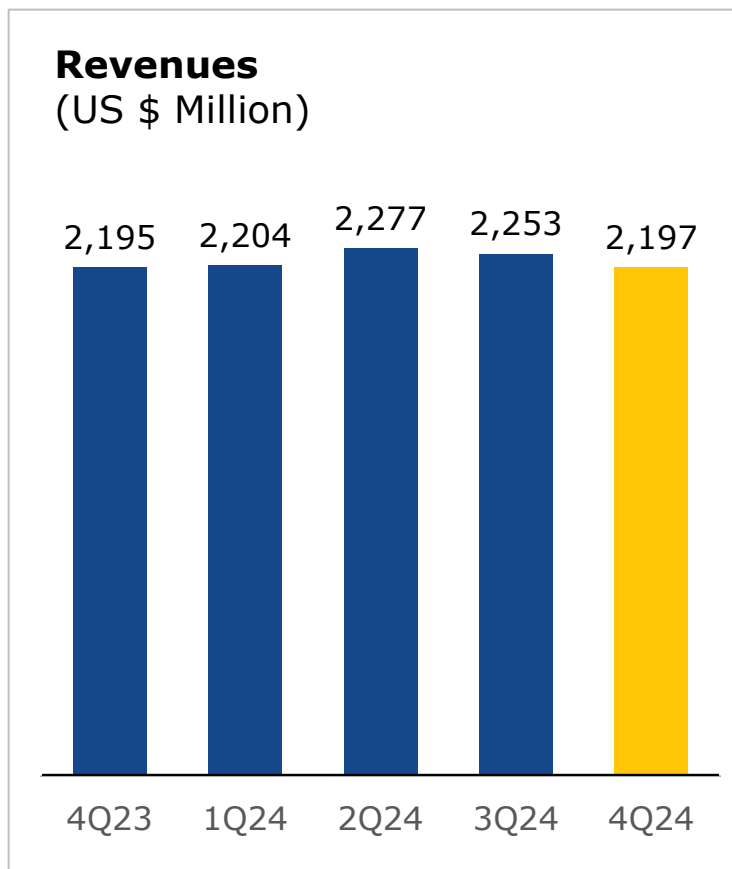


**Revenues\* 2024 vs 2023**  
(US \$ Million)



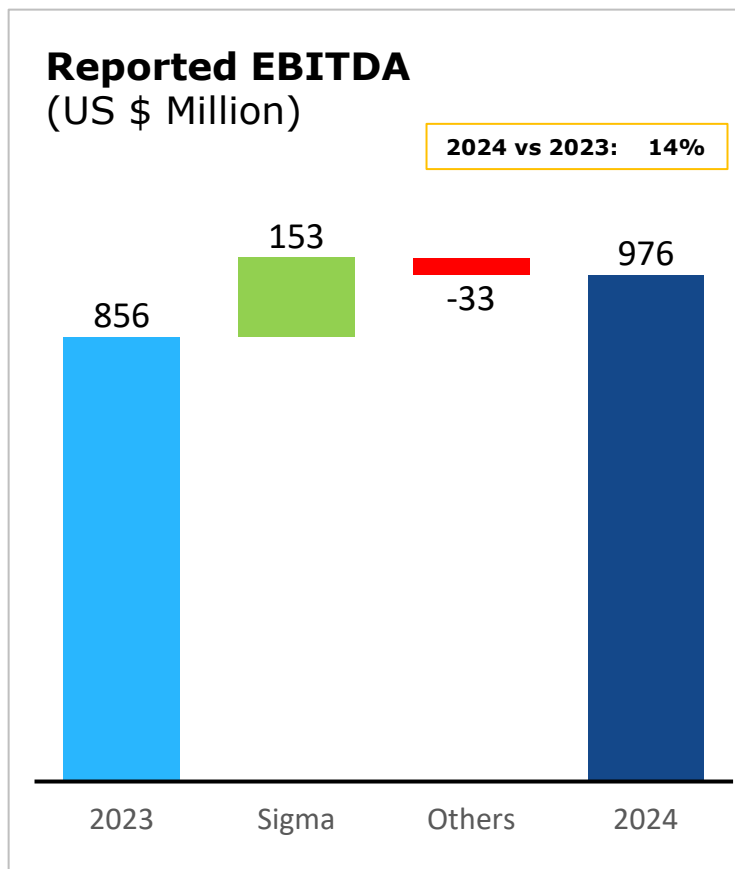
\*Alpek reported as discontinued operations

## ALFA & Subs\*



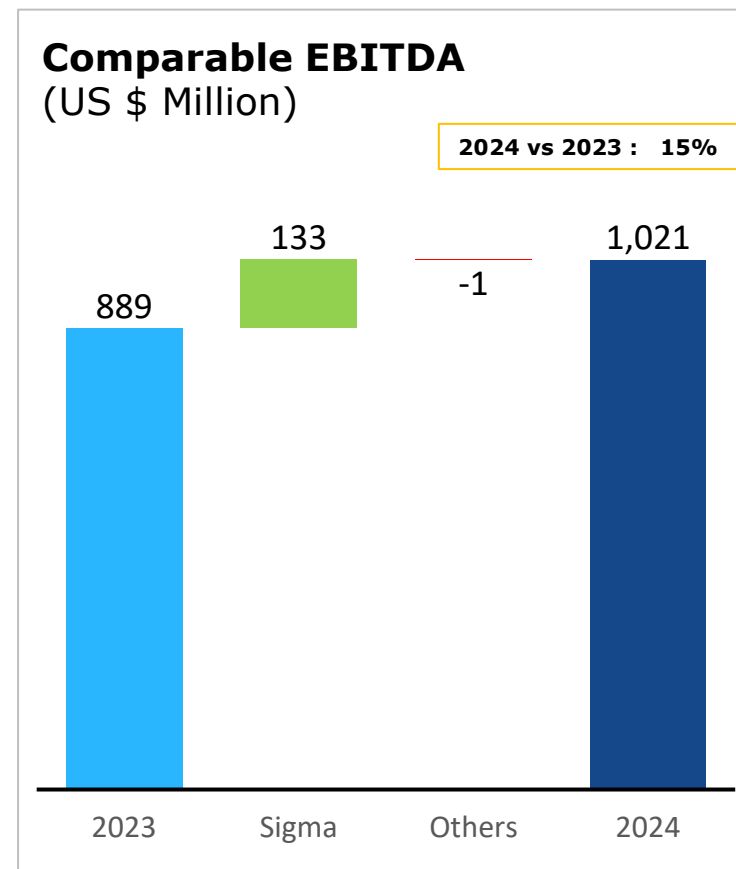
\*Alpek reported as discontinued operations

## ALFA & Subs\*



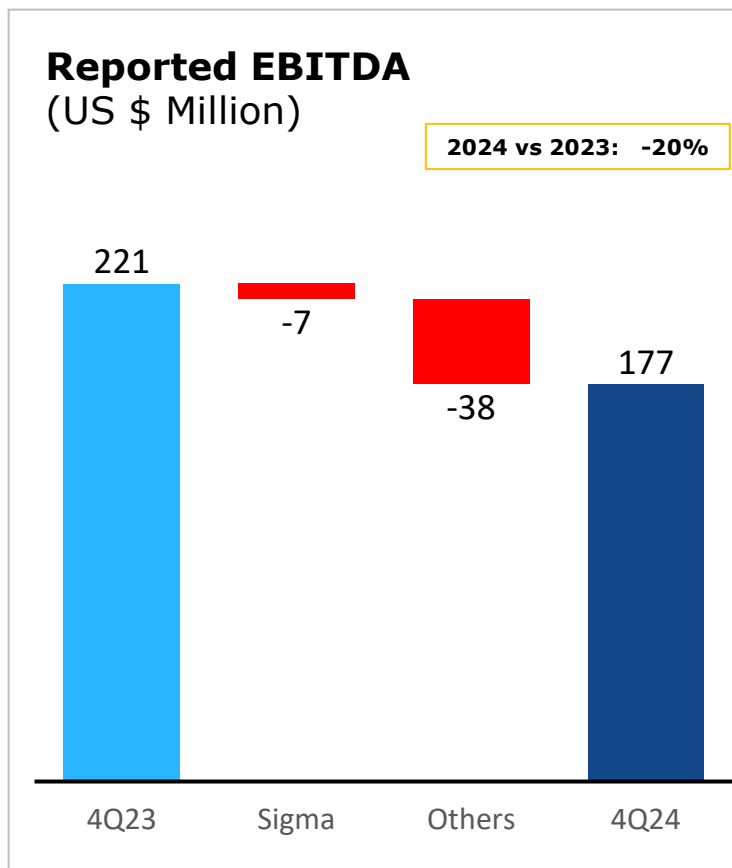
### Extraordinary Items (US \$ Million)

	2023	2024
SIGMA	(12)	8
OTHERS	(20)	(53)
<b>TOTAL</b>	<b>(32)</b>	<b>(45)</b>



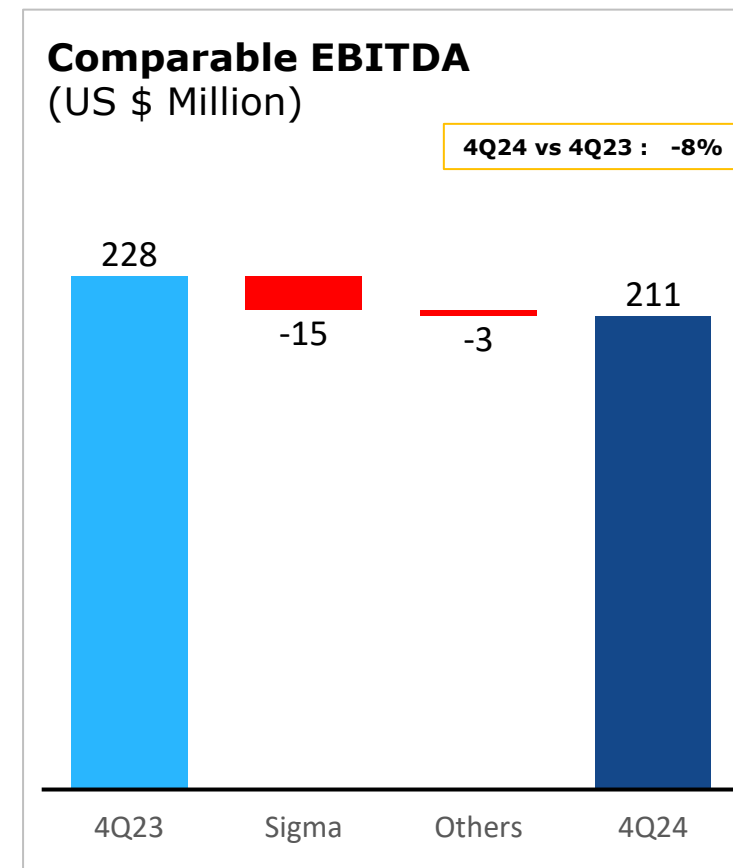
\*Alpek reported as discontinued operations

## ALFA & Subs\*



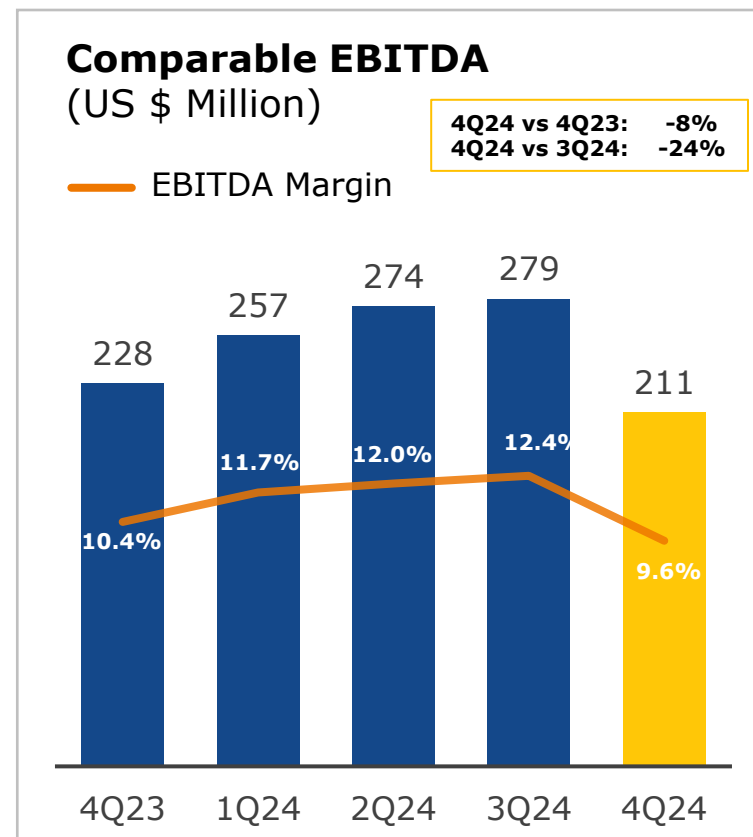
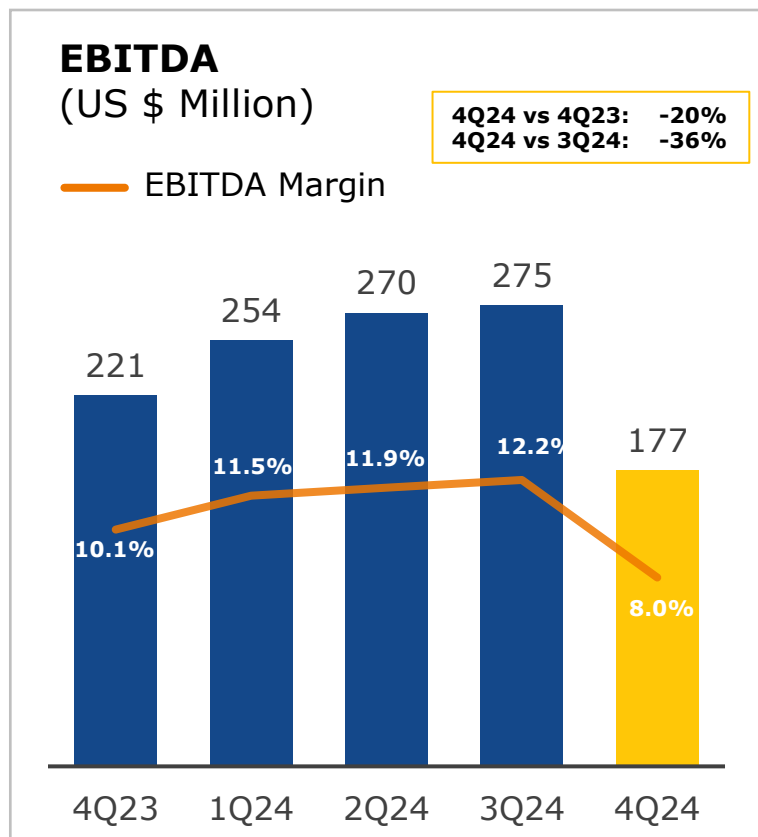
### Extraordinary Items (US \$ Million)

	4Q23	4Q24
SIGMA	-	8
OTHERS	(7)	(43)
<b>TOTAL</b>	<b>(7)</b>	<b>(34)</b>

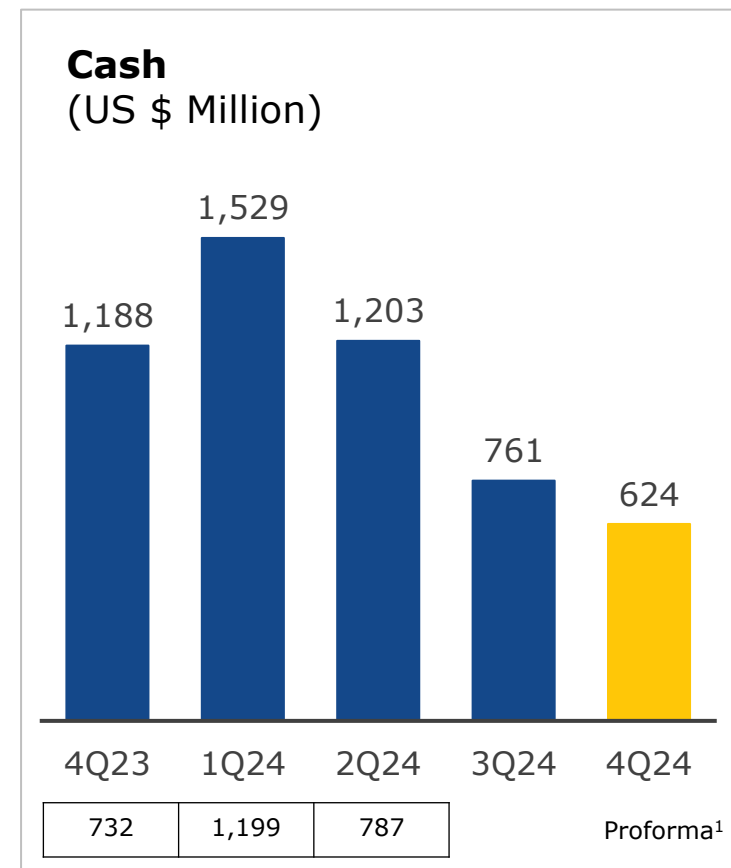
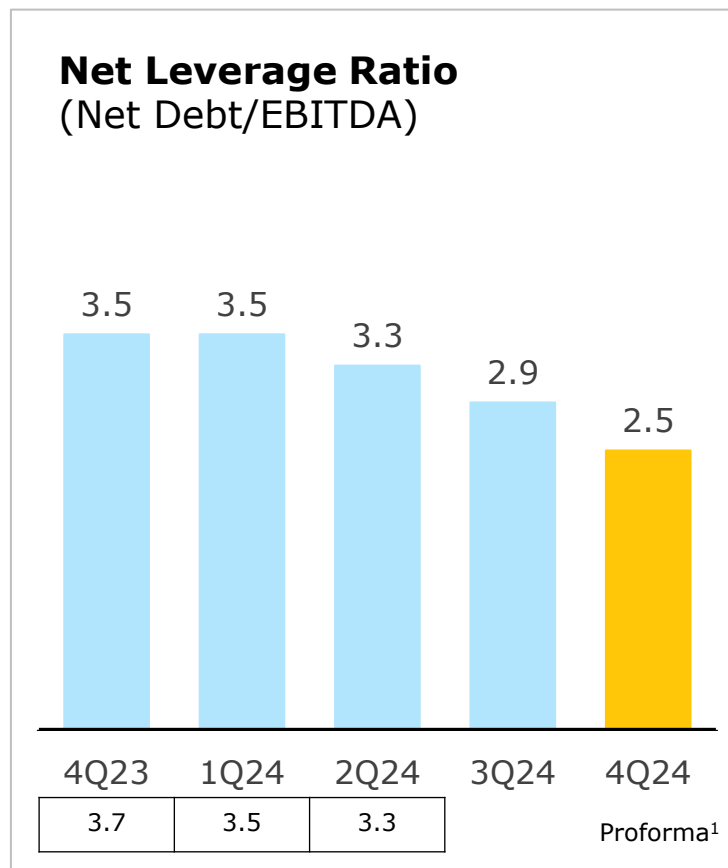
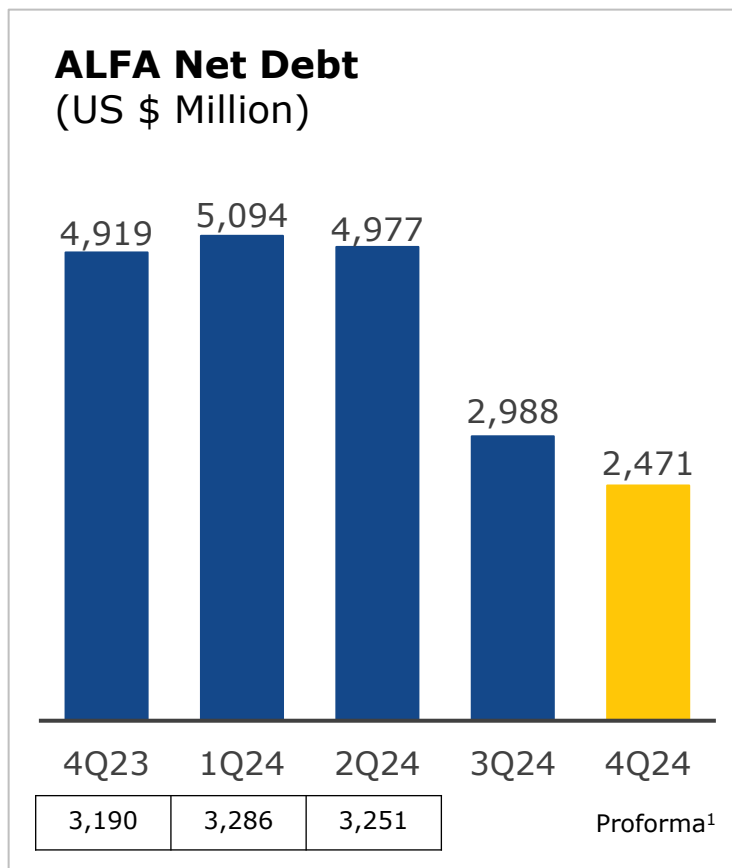


\*Alpek reported as discontinued operations

## ALFA & Subs\*

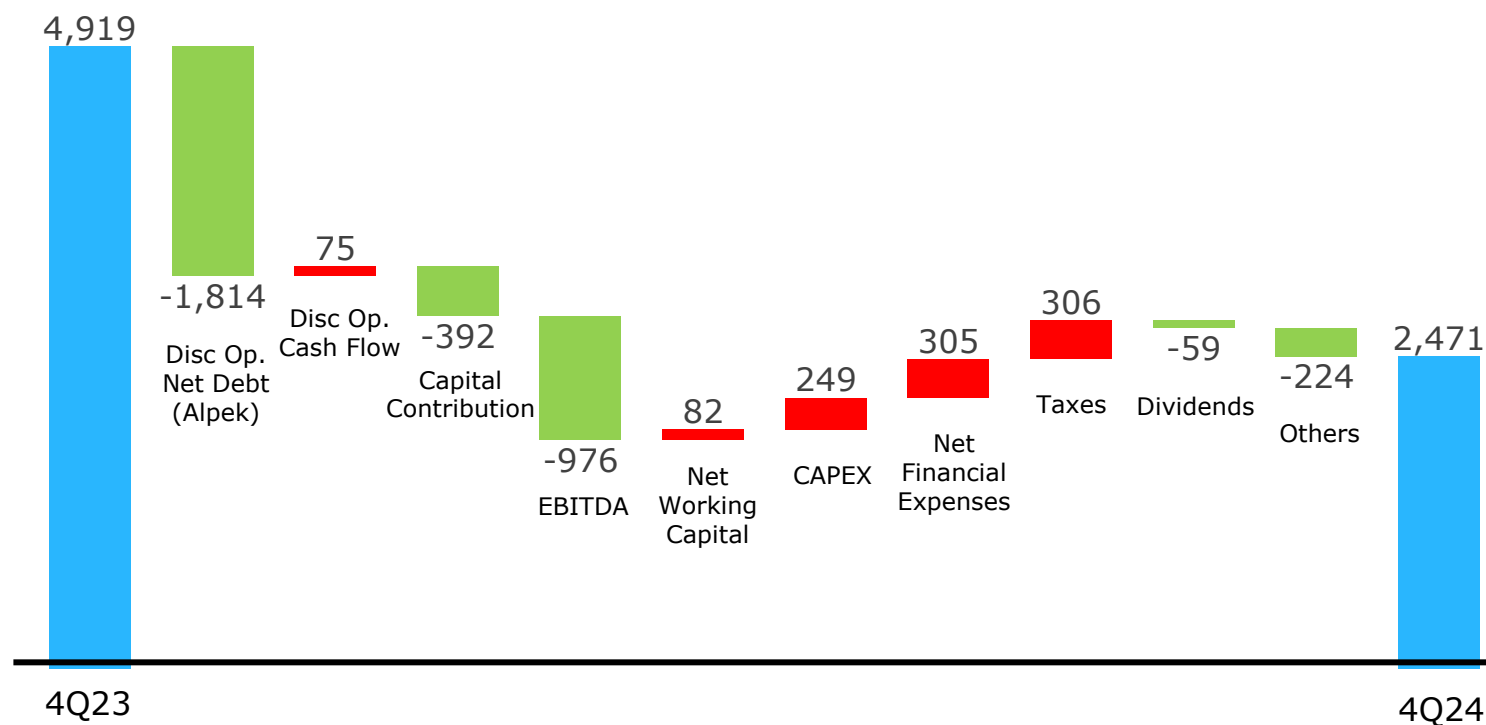


## ALFA & Subs\*

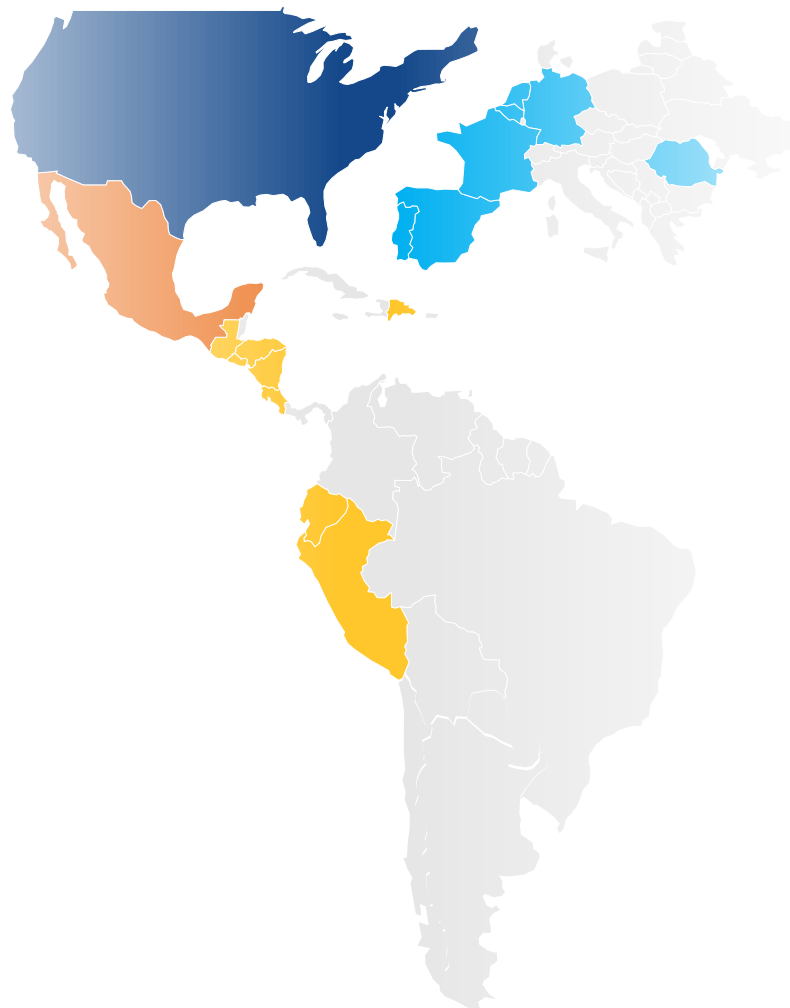


\*Alpek reported as discontinued operations on 3Q24 and 4Q24. Prior periods are not restated in accordance with IFRS  
 1. Proforma figures with Alpek presented as discontinued operations in prior periods

**ALFA: Change in Net Debt 4Q23 vs 4Q24**  
(US \$ Million)







**Mexico**

- ▼ Fourth consecutive year of Volume, Revenue and EBITDA growth
- ▼ Record annual Volume, Revenue and EBITDA, driven by a solid performance across all categories and channels

**Europe**

- ▼ 2024 EBITDA of US \$95 million more than doubled versus 2023
- ▼ Sustained recovery with six consecutive quarters of year-on-year EBITDA growth

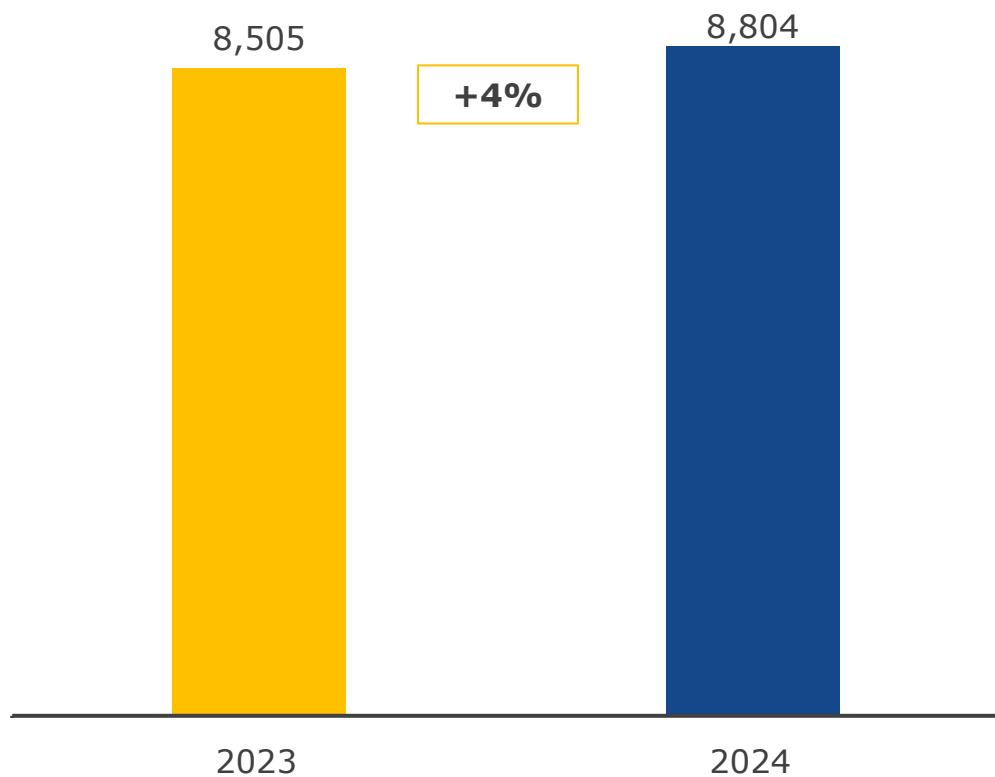
**U.S.**

- ▼ Record annual Volume, Revenue and EBITDA
- ▼ Eight consecutive years of Revenue Growth

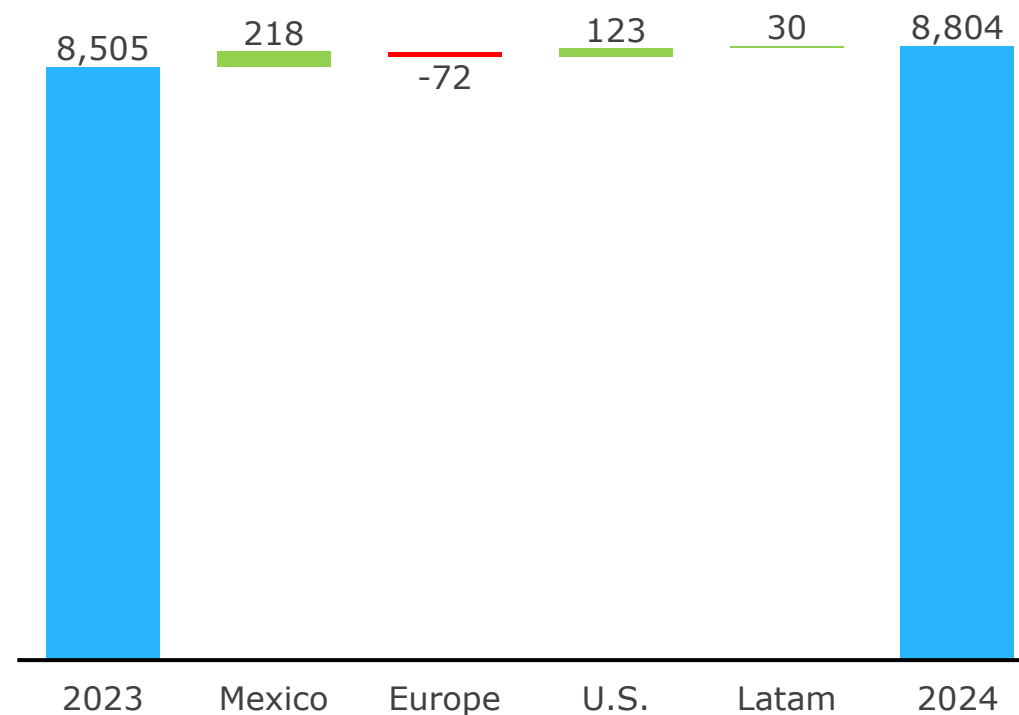
**Latam**

- ▼ Record annual Volume, Revenue and EBITDA
- ▼ Four consecutive years of EBITDA Growth

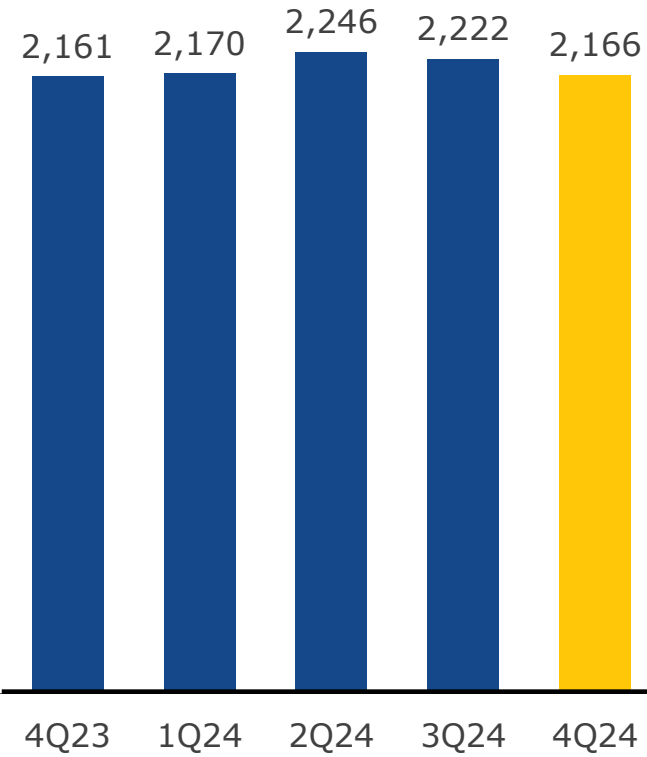
**Revenues**  
(US \$ Million)



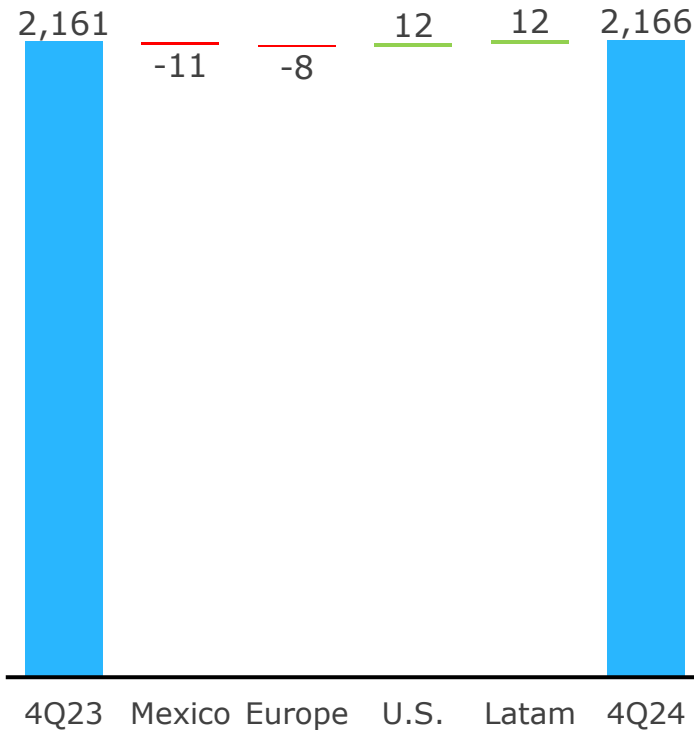
**Revenues 2024 vs 2023**  
(US \$ Million)



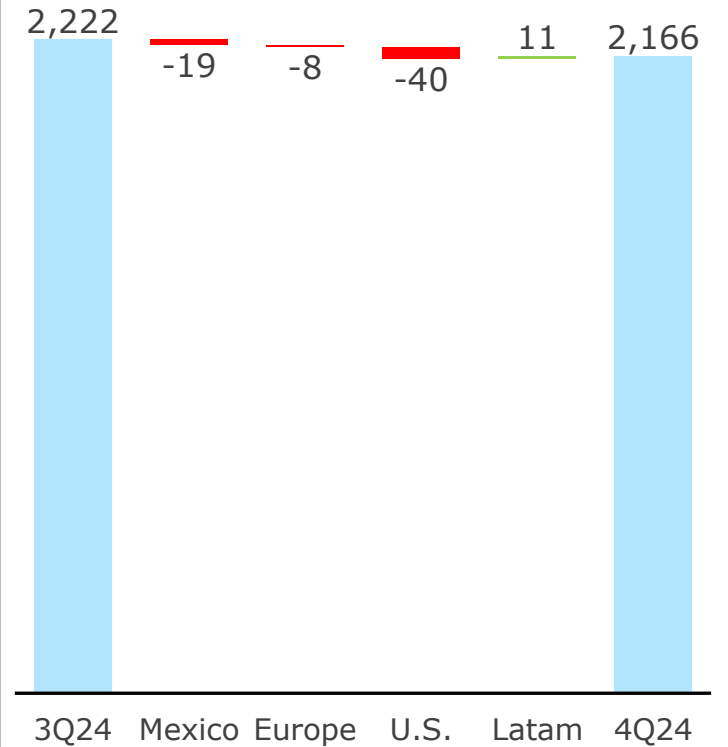
**Revenues**  
(US \$ Million)



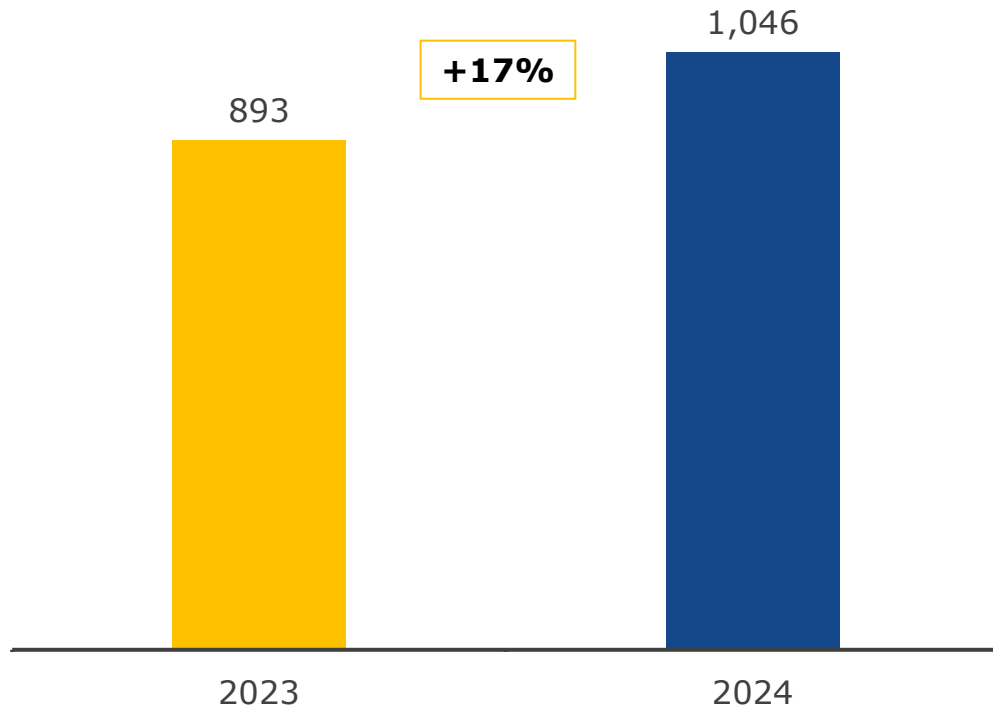
**Revenues 4Q24 vs 4Q23**  
(US \$ Million)



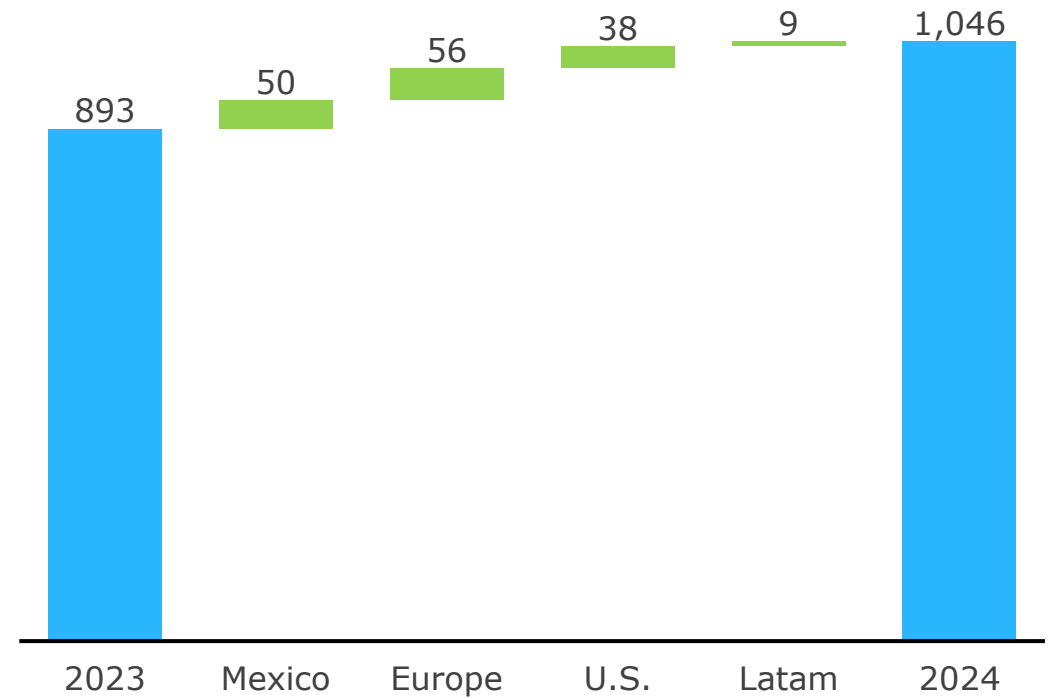
**Revenues 4Q24 vs 3Q24**  
(US \$ Million)

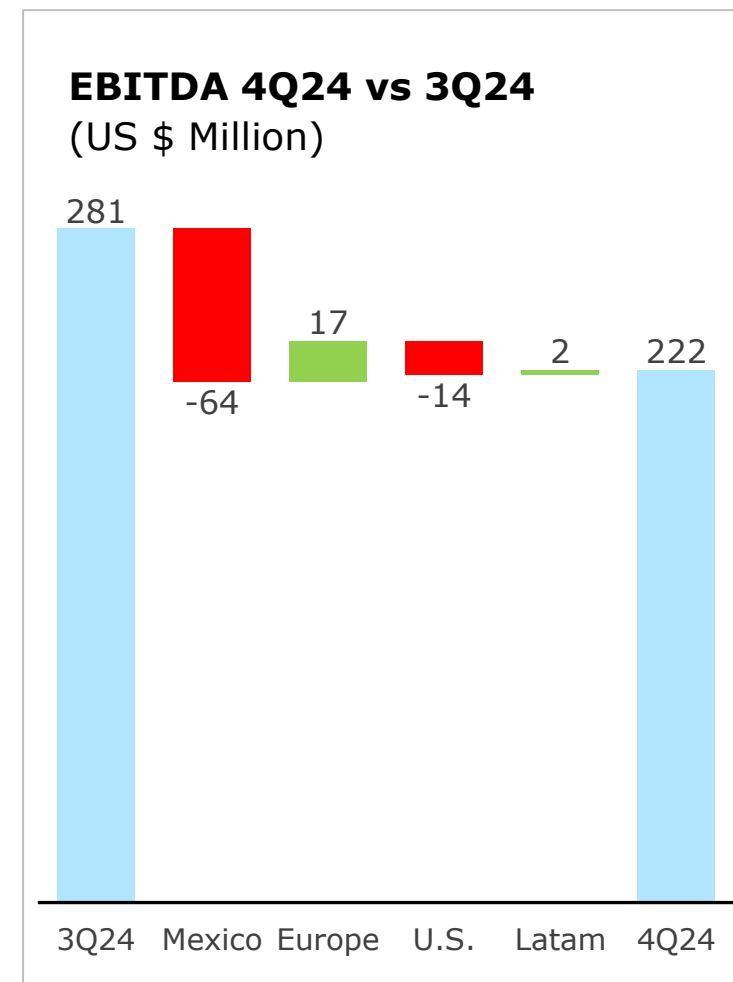
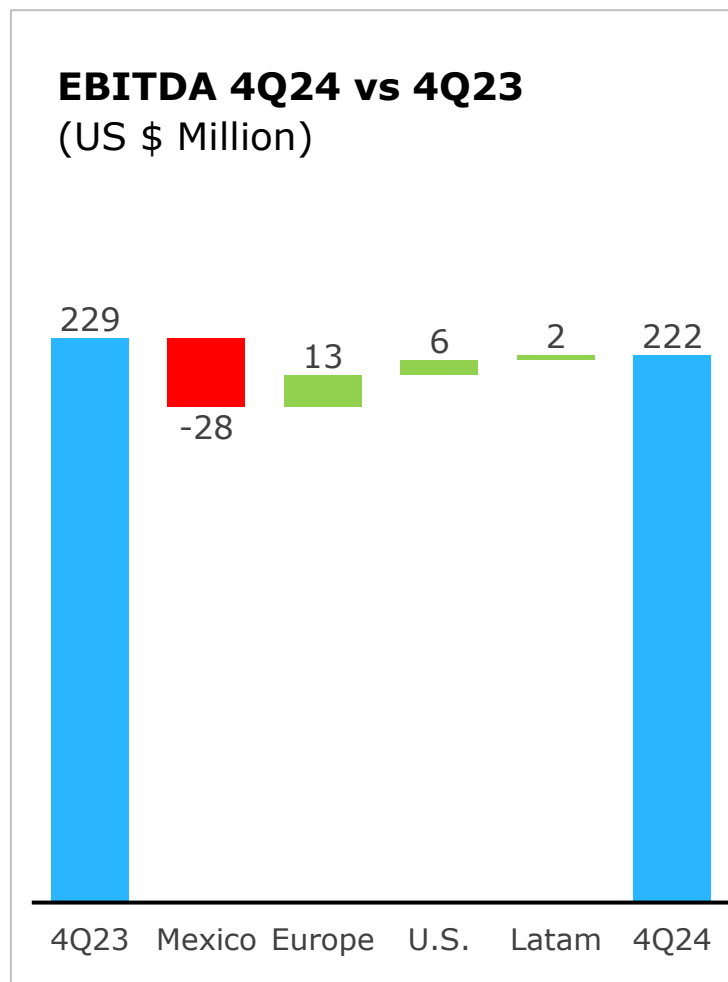
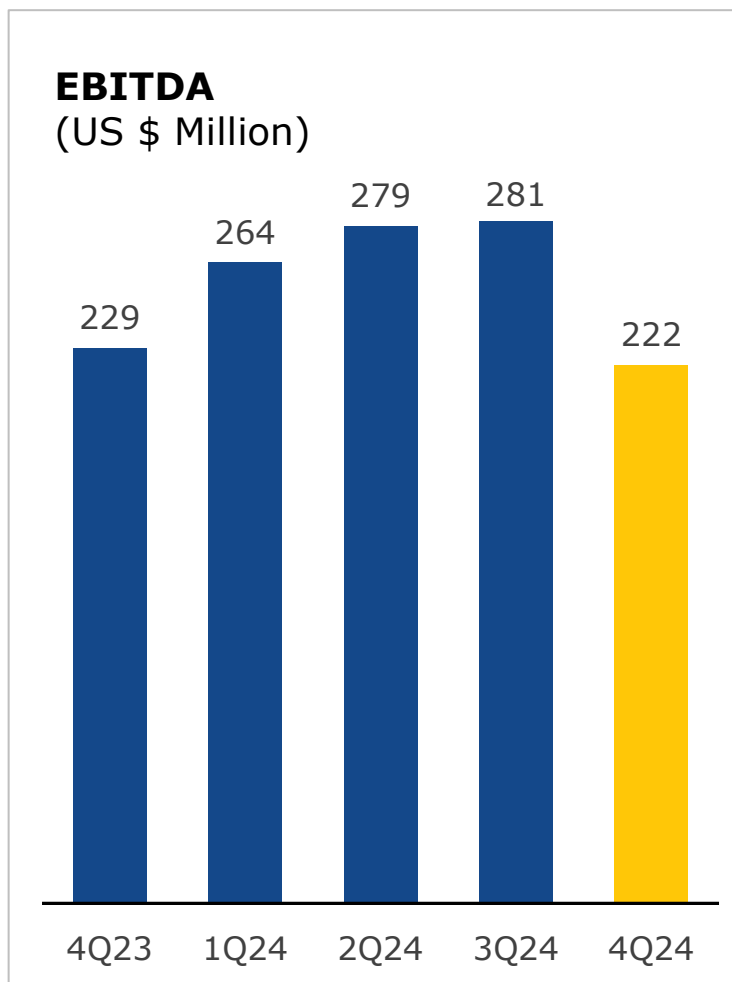


**EBITDA**  
(US \$ Million)

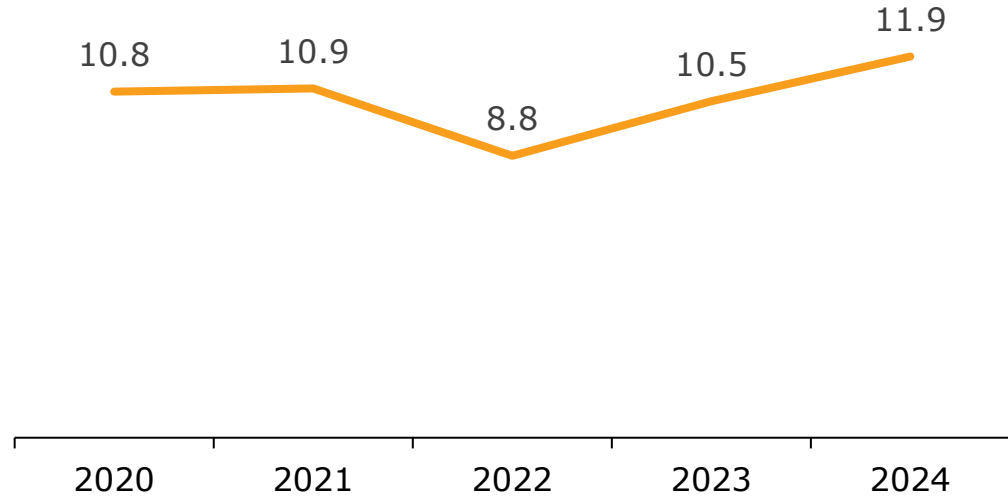


**EBITDA 2024 vs 2023**  
(US \$ Million)

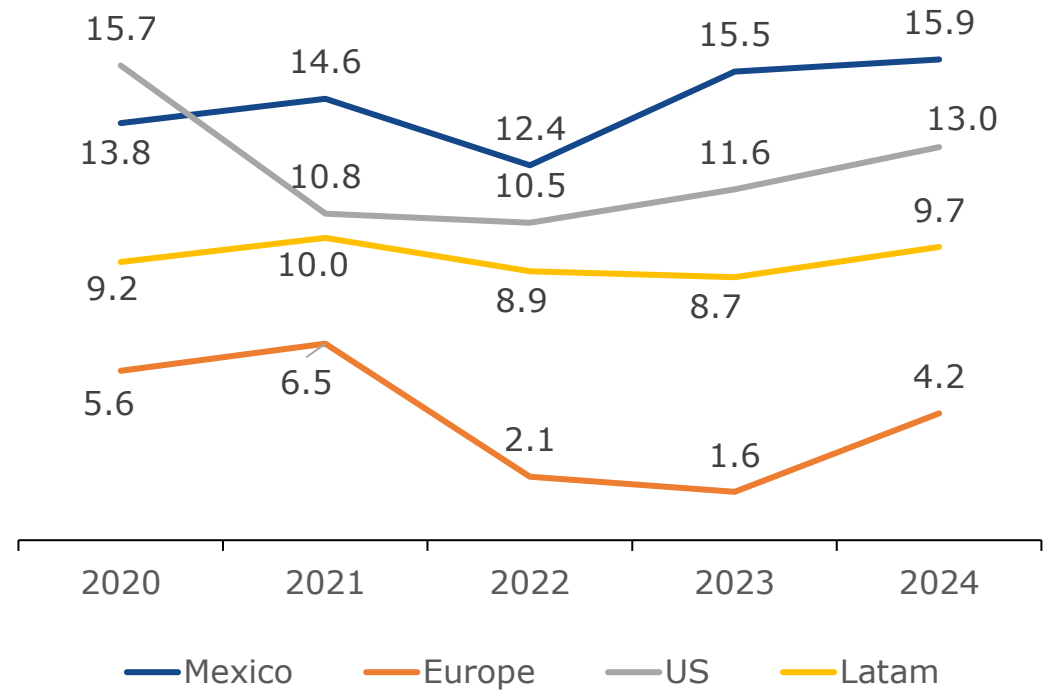




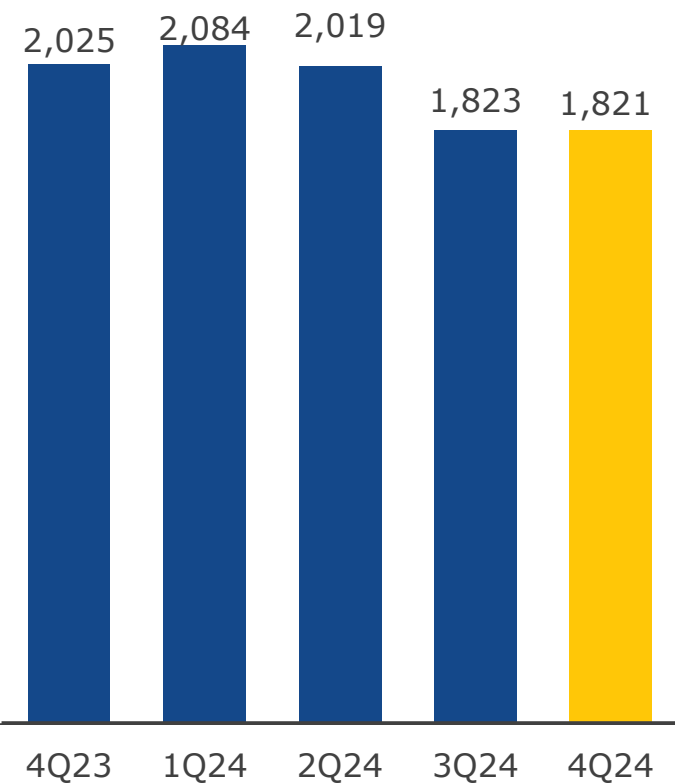
EBITDA Margin (%)



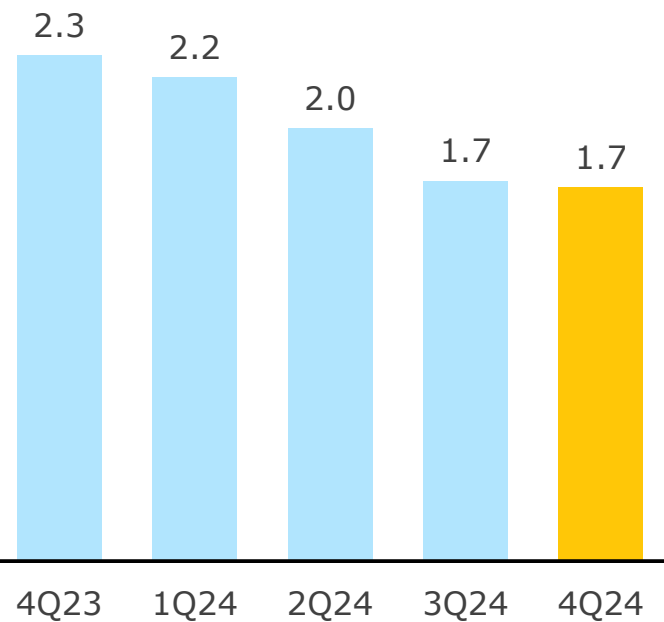
EBITDA Margin By Region (%)



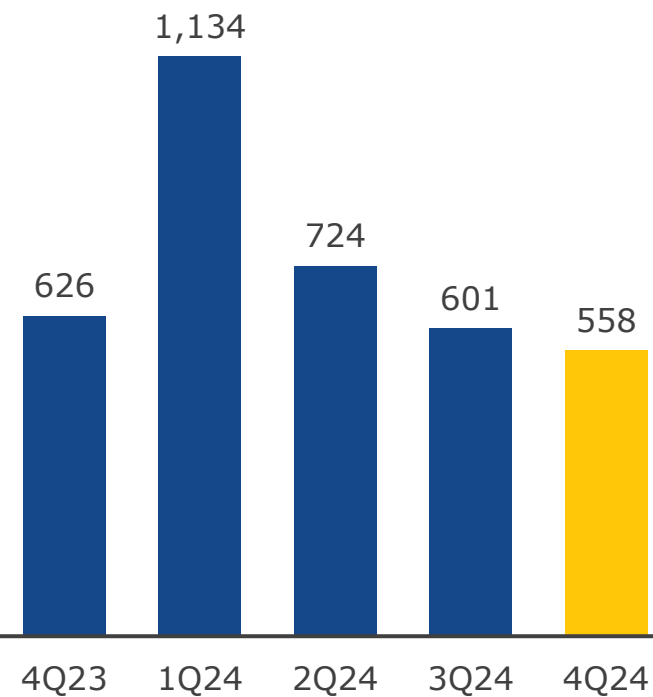
**Net Debt**  
(US \$ Million)



**Net Leverage Ratio<sup>1</sup>**  
(Net Debt/EBITDA)

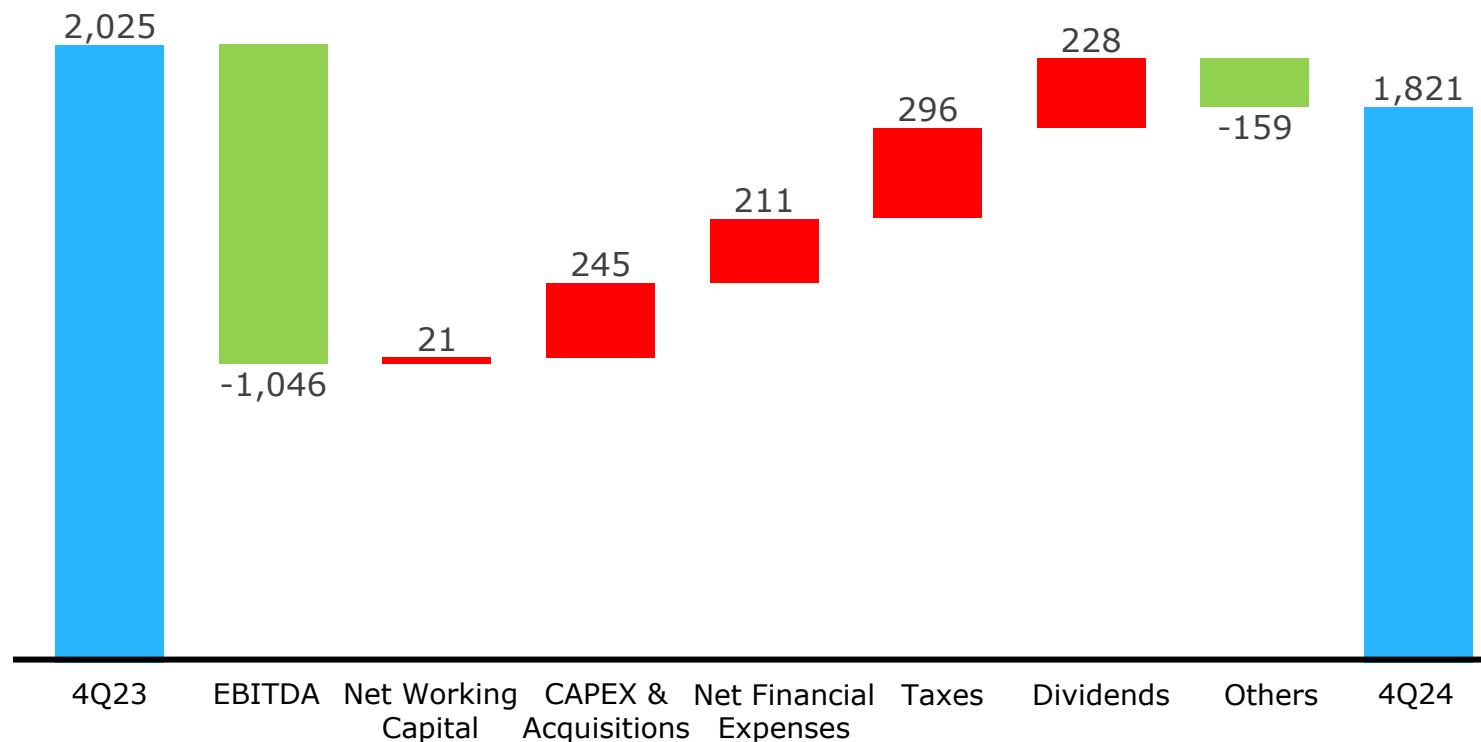


**Cash**  
(US \$ Million)



1. Does not include guaranteed debt

**Change in Net Debt 4Q24 vs 4Q23**  
(US \$ Million)





### Brand Portfolio

- 2 additional brands with annual sales of US \$100+ M in 4Q24
- The total number of \$100-million brands increased to 16, up from 11 in 2023

### Global Chief Marketing Officer

- New Global Chief Marketing Officer role to drive Sigma’s consumer-centric marketing strategy
- Appointed Ana Maria Henao, bringing an impressive 20-year track record in Consumer Packaged Goods companies

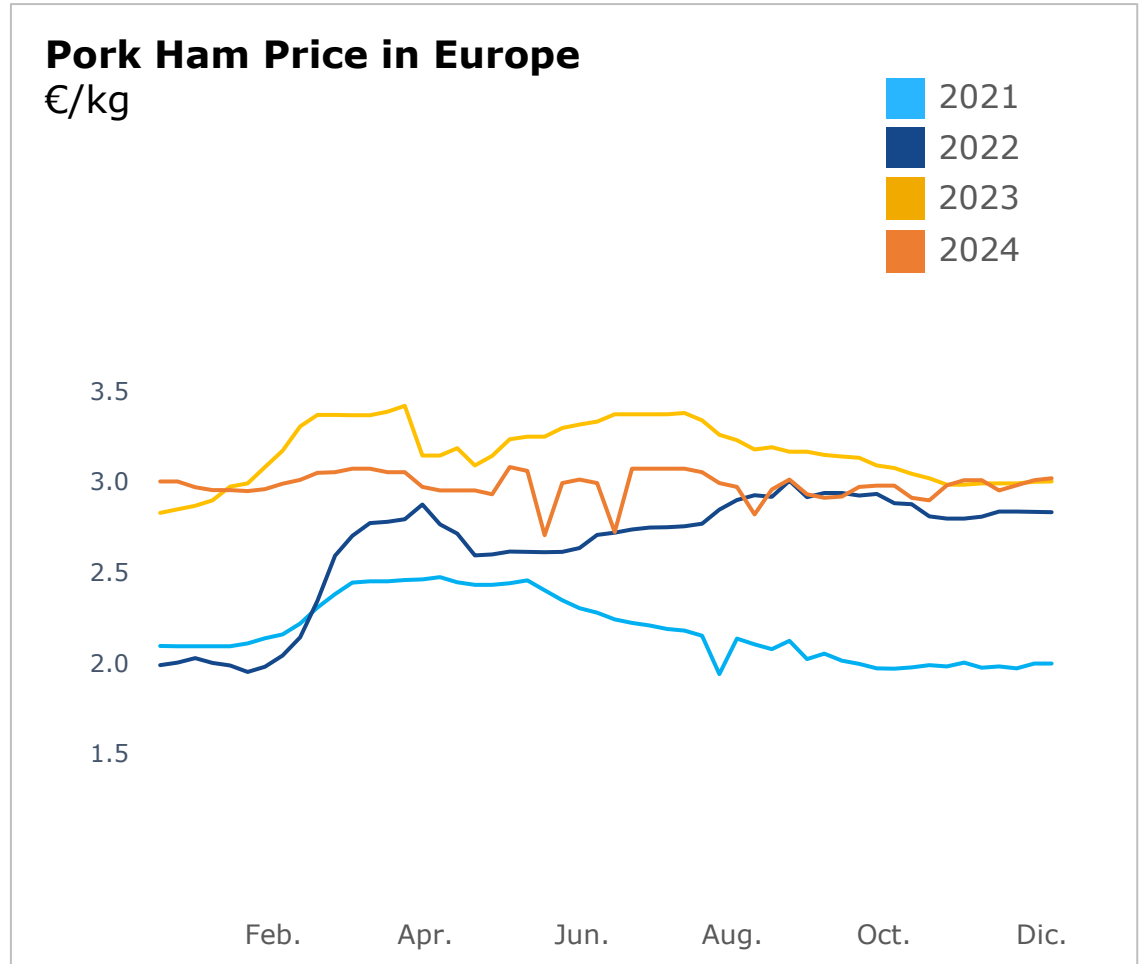
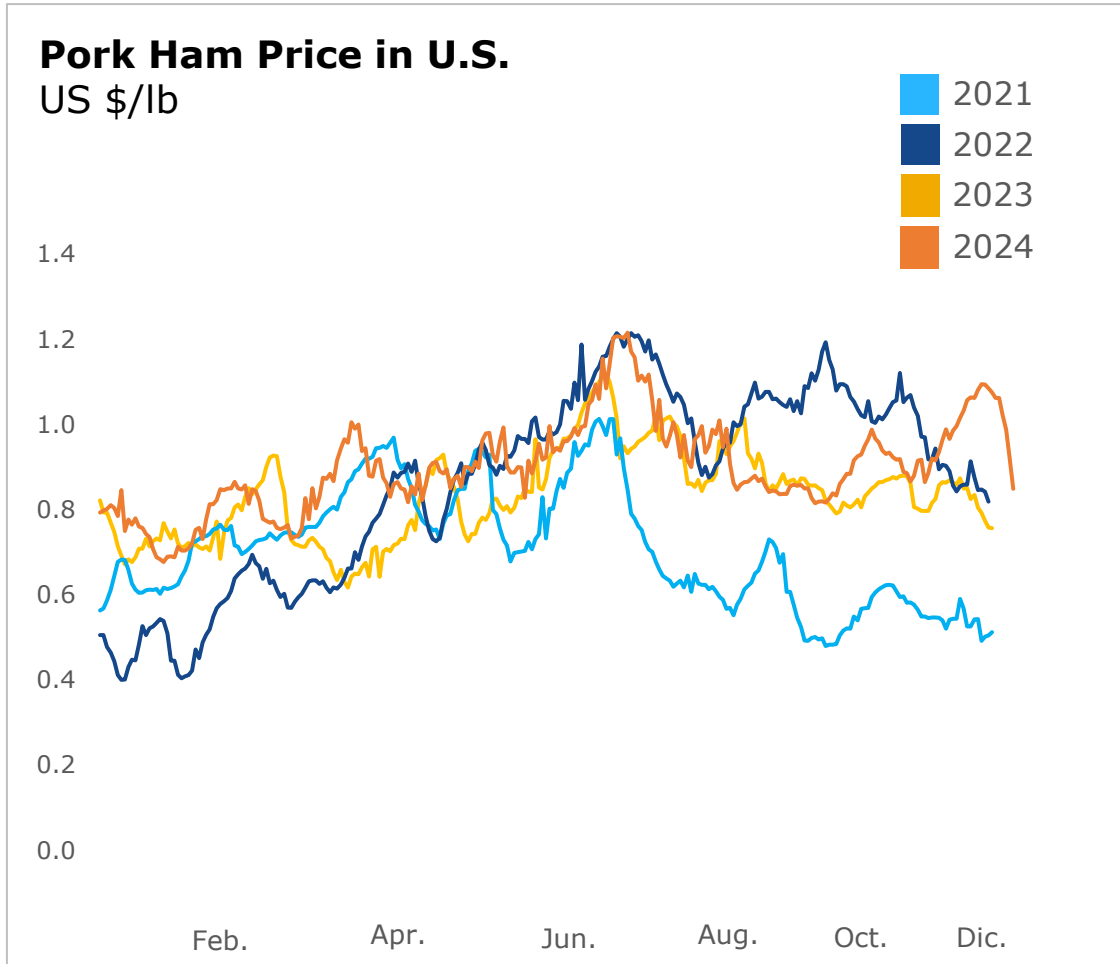
### The Studio

- Partnered with IDEO, a leading global design and innovation firm founded in Palo Alto, California
- Appointed Bryan Walker, partner at IDEO, as Creative Managing Director to lead the newly created Sigma design studio (“The Studio”)

### Flash Floods in Spain

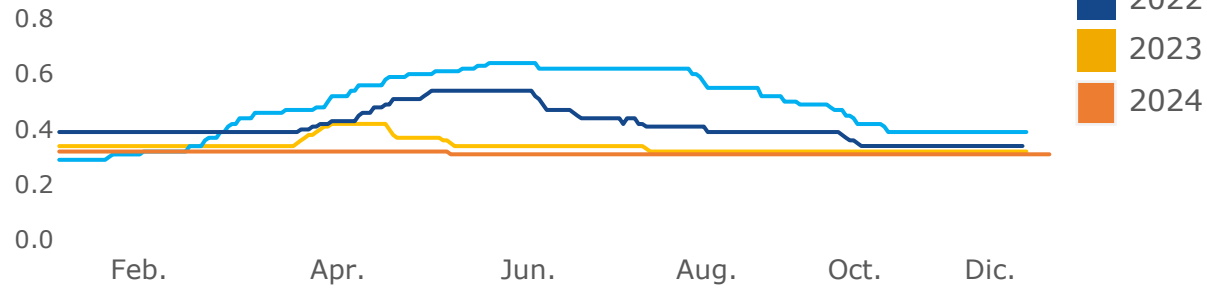
- Floods in Valencia, Spain significantly damaged the Torrente production facility
- Insurance covers business interruption and property damage
- Alternatives being assessed and implemented to recover production capabilities





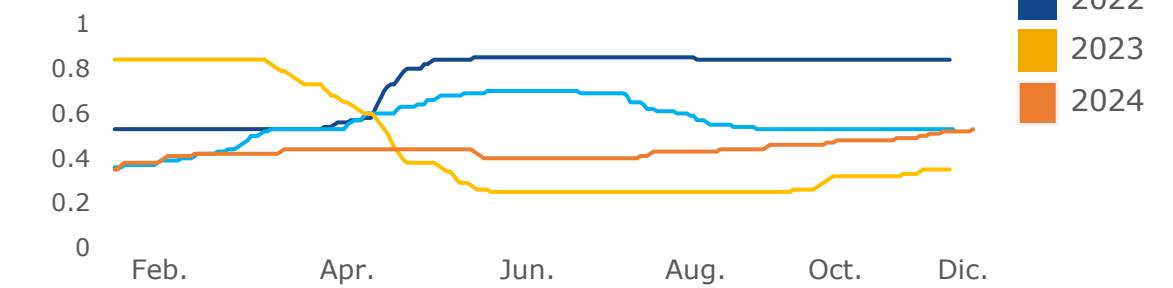
**Chicken (MSC)**

US \$/lb



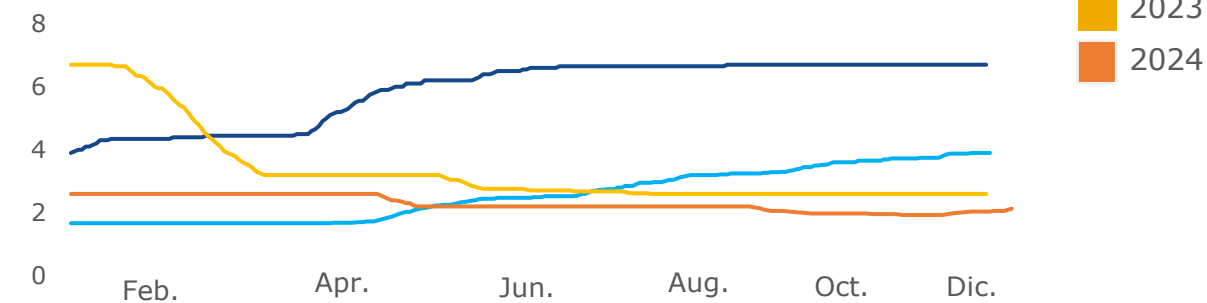
**Turkey (MST)**

US \$/lb



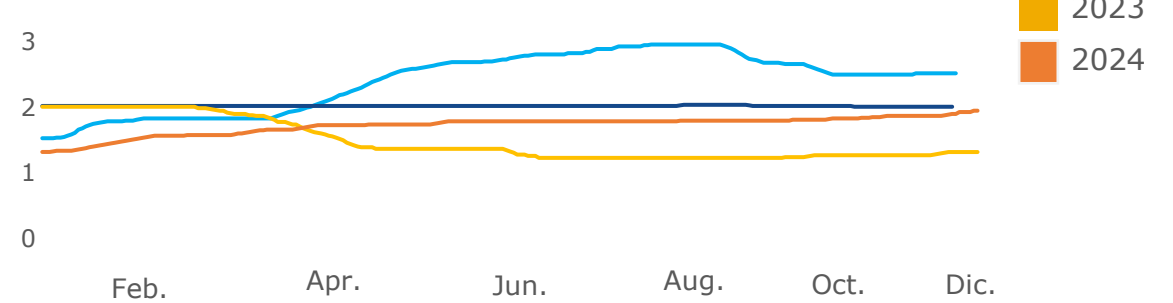
**Turkey Breast**

US \$/lb



**Turkey Thigh**

US \$/lb



Source: USA - USDA Chicken - MSC, Some Skin, 15-20% Fat, Fresh  
 USA - USDA Turkey - MST, Some skin, under 20% fat, Fresh  
 USA - UBDA Turkey - Breast, Young Tom, Boneless & Skinless, Fresh  
 USA - USDA Turkey - Thigh Meat, Boneless & Skinless, Fresh



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